



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture



NOVEMBER 14, 2000

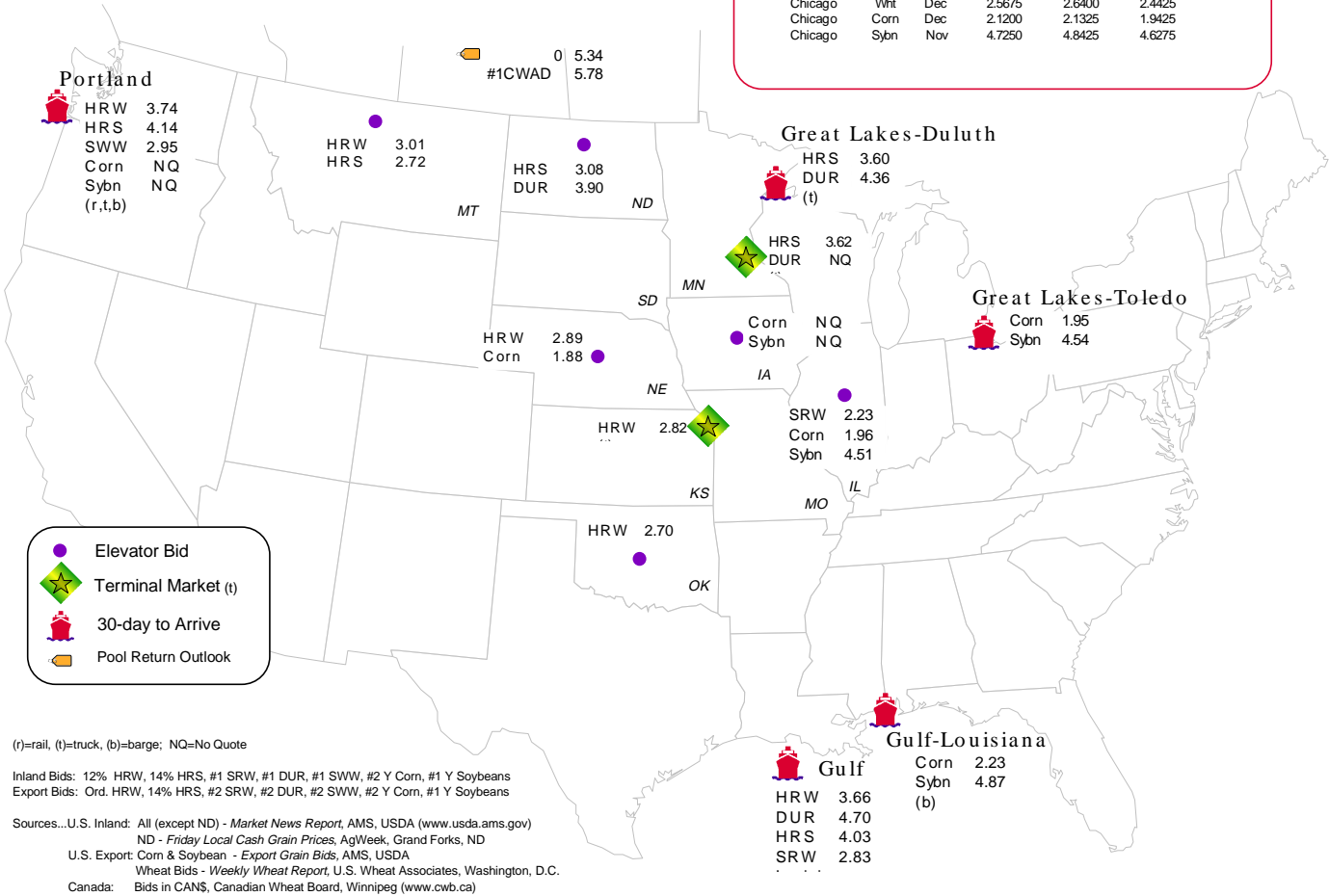
ACL Joins Ultrapetrol Bahamas Ltd. In South America. American Commercial Lines LLC (ACL) and Ultrapetrol Bahamas Limited (Ultrapetrol) agreed recently to combine the operations of their barge transportation companies on the Parana/Paraguay River system in South America. With 18 towboats and a combined fleet of 335 dry cargo and tank barges, the new company, UABL Limited, will be the largest barge firm operating on the Parana/Paraguay River system. It will serve commodity shippers in Argentina, Bolivia, Brazil, Paraguay, and Uruguay. "What this does is matures the system a bit," according to Jim Adams, ACL's assistant vice president of public affairs, speaking to the *Waterway Journal*. Adams continued, "You need the critical mass to provide the frequency of service, to get the turn rates down, to provide the support facilities." ACL, based in Jeffersonville, IN, is a fully integrated network of marine transportation companies, operating more than 5,077 barges and 200 towboats on the inland waterways of North and South America. ACL also operates vessel construction and repair facilities as well as river terminals. Ultrapetrol is reported to be one of the fastest growing companies in the transportation sector, originating in South America over 120 years ago. In addition to its river operations, Ultrapetrol owns and operates an oceangoing tanker fleet in excess of 1 million deadweight ton (dwt) capacity serving the United States, Europe, and South America. The consolidation, a 50-50 split, will provide for Ultrapetrol's Felipe Menendez Ross to serve as UABL's chief executive officer and ACL's Delbert Wilkins to serve as its chief operating officer. "This merger creates exciting opportunities for both companies. Combining our complementary strengths enhances our productivity and improves barge transportation services for shippers throughout the region," announced Menendez Ross. He emphasized the important role UABL will play in delivering reliable barge service to the interior of South America, one of the world's fastest growing production regions for soy. UABL will be headquartered in Buenos Aires, Argentina. (*American Commercial Lines* <http://www.aclines.com/acl/uabl.html> 10/24/00, *Waterways Journal* 10/30, *Journal of Commerce* 10/25/00)

STB Initiates Outreach Program. Surface Transportation Board (STB) Chairman Linda Morgan recently announced the start of its Rail Consumer Assistance Outreach Program, intended to informally assist rail consumers with disputes or problems that cannot be resolved satisfactorily with railroads. The STB emphasized that, while affected parties should always attempt first to resolve their issues directly with the railroads, the new program is intended to strengthen the capability of the STB to informally address those issues that cannot be satisfactorily resolved through private-sector discussions. The new program supplements the STB's existing services by providing additional, no-cost communications options by which individual parties may contact STB staff. For issues not within STB's jurisdiction, concerned parties will be directed to the appropriate forum. Additional information about the program can be found at <http://www.stb.dot.gov>, or by contacting the STB at (866) 254-1792 (telephone), 202-565-9011 (fax), RailConsumer@stb.dot.gov (e-mail), or by writing Rail Consumer Assistance, c/o Office of Compliance and Enforcement, Surface Transportation Board, 1925 K St., NW, Suite 780, Washington, DC 20423-0001. (*Surface Transportation Board*, <http://www.stb.dot.gov/newsrels.nsf>)

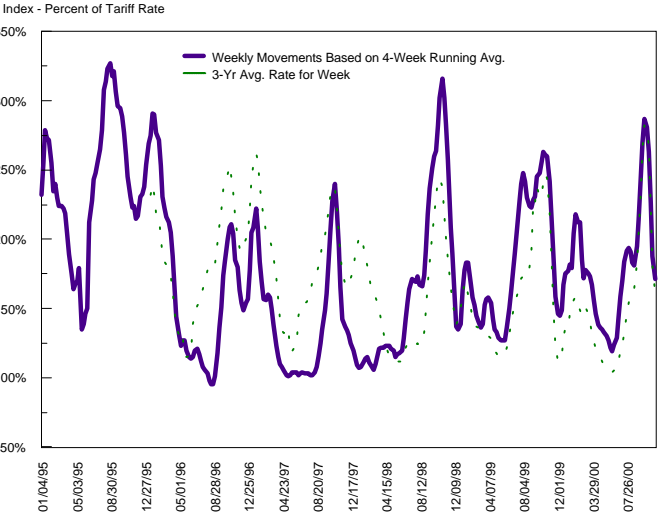
Cuba Firm Regarding U.S. Trade. Despite a recent visit to Cuba by a group of Michigan farmers and the recent loosening of long-standing U.S. sanctions, the Cuban government remains steadfast in its refusal to buy U.S. farm goods. Cuba's position is the result of several restrictions which accompany the recent Congressional legislation. In particular, a ban of U.S. public and private financing of sales to Cuba would mean that transactions would have to be made in cash or financed through third-party countries. In addition, the legislation restricts travel by Americans to Cuba. Cuba officials, depending heavily on tourism, its number one industry, expected it to double if the U.S. were to lift travel restrictions. Among the Michigan delegation was Jack Laurie, a dairy farmer and Michigan Farm Bureau president. Laurie cited his group's efforts to create a more positive approach. He stated, "We would like to test the system. American farmers need the Cuban government to take a more positive position on the opportunities provided by the legislation." Although unable to convince Cuban official to purchase U.S. farm products under the new legislation, Laurie viewed it as a "major step forward." "Our system allows that if we have a law that is not working, or not going to work, we have an opportunity to change it and that is what we intend," he said. That optimism is shared by Cuban Foreign Minister Felipe Perez Roque, who feels that the end of U.S. economic sanctions toward Cuba is "closer than ever before." Cuba annually imports between \$750 million and \$1 billion in food products. (<http://www.e-markets.com> 11/11, *Reuters* 11/10, *Richmond Times-Dispatch* 11/11, <http://www.cnn.com/2000/Travel/News>, 7/00, *Washington Post* 11/11)

Storage Limit Reached In Mid-Atlantic Region. Storage problems are becoming paramount in Virginia and the Mid-Atlantic region after a record-breaking corn crop. Complicated by low prices and a limited market, corn producers deciding to store their crop are finding that there is nowhere to store it. "I frankly don't see any reason we won't see huge crops and low prices for the next several years," said Wayne Purcell, a professor of agricultural economics at the Virginia Polytechnic Institute. Some farmers are beginning to pile the corn on the ground, waiting for higher prices. Corn prices received last year at this time were approximately \$2.10 per bushel, compared to \$1.70-1.75 per bushel received last week. That, according to some experts, is already 50 cents below production. "We think the only way to come out of this is to hold it until next spring," said one area farmer. (*Richmond Times Dispatch* 11/11)

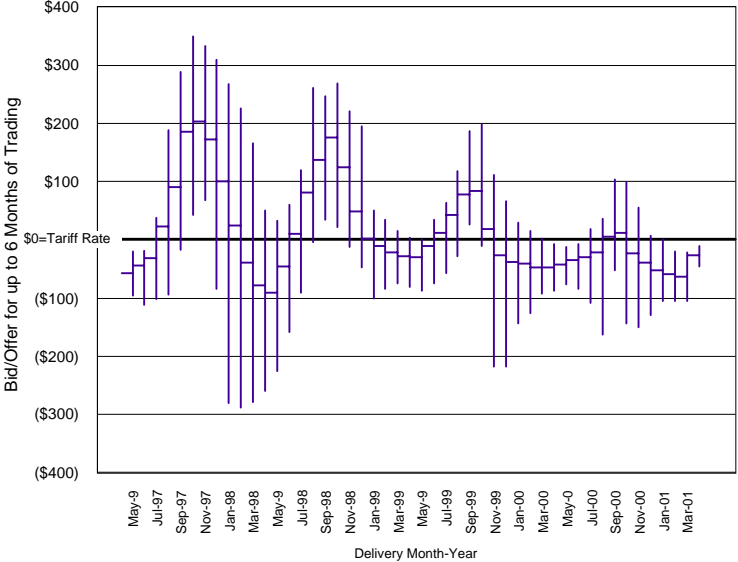
Grain Bid Summary



Spot Barge Rate - Illinois River



Secondary Rail Market Bids



Rail Car 'Auction' Offerings

Delivery for:	Nov-00			
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	12,540	33%	12,141	4%
UP-GCAS	5,400	2%	5,400	0%

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	Nov-00	Dec-00	Jan-01	Feb-01
BNSF-GF	\$4	\$(24)	\$(26)	\$(26)
UP-Pool	\$(15)	\$(24)	\$(52)	\$(44)

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.; GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Dec-00	Jan-01	Feb-01
COT/N. Grain	\$1	\$1	\$1
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no bid	no bid
GCAS/Region 4	no bid	no bid	no bid

Source: T&M/AMS/USDA. Data from www.bnsf.com, www.uprr.com, (COT=Certificate of Transportation; GCAS=Grain Car Allocation System)**Southbound Barge Freight Nominal Values**

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended	River/Region	Contract Period	Rate	
			Bid	Offer
11/14/00	St. Louis	nwk	115	120
		Dec.-Mar.	125	130
	Illinois River	twk	130	140
		1 st hlf. Dec.	145	150*
		Dec.	155	160
	Ill. (Pekin-South)	Jan.	170	175
		Feb.	165	175
		Mar.	160	170
	Mid Miss.	Nov.	150*	155
	Twin Cities	twk.	200	210

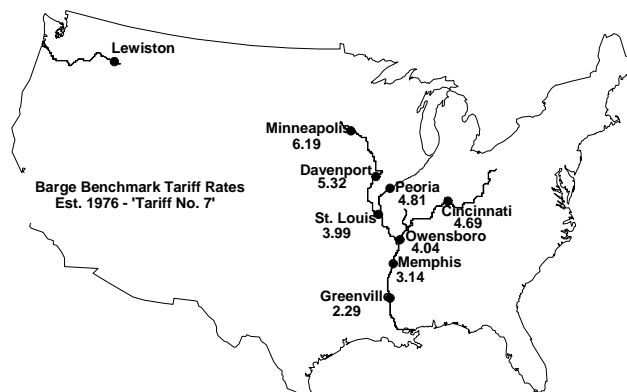
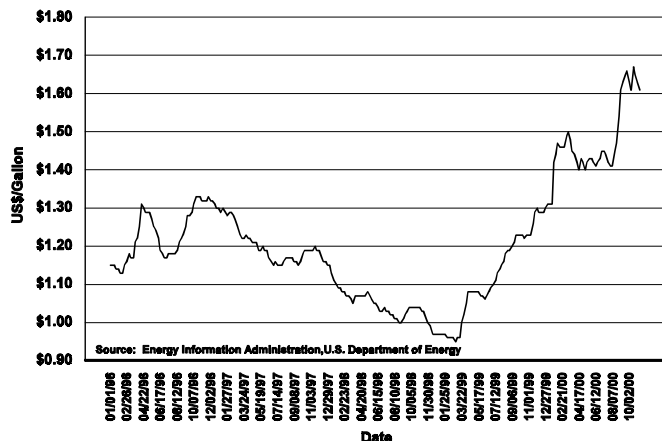
Southbound Barge Freight Spot Rates

	11/8/00	11/1/00	Dec. '00	Feb. '00
Twin Cities	214	172	0	0
Mid-Mississippi	180	163	0	0
Illinois River	154	158	167	180
St. Louis	138	144	139	138
Lower Ohio	185	225	149	146
Cairo-Memphis	128	133	133	131

Source: Transportation & Marketing /AMS/USDA
nq=no quote;

Summary Of Daily Barge Trades Reported To St. Louis Merchants Exchange.

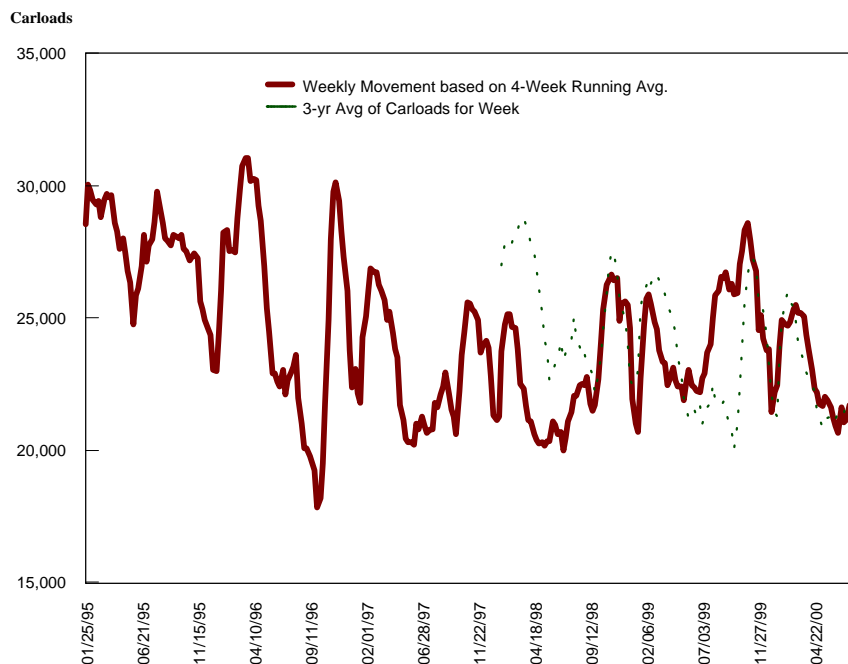
*Traded rates

Weekly Retail Diesel (Road) Prices (Including Taxes)

Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
10/21/00	23,588
10/28/00	24,733
11/04/00	23,674
Year to Date - 2000	1,030,899
Year to Date - 1999	1,084,168
Total 1999	1,269,741
Total 1998	1,186,117

Source: Association of American Railroads



Class I Rail Carrier Grain Car Bulletin

Grain Carloads Originated

			<u>East</u>		<u>West</u>		<u>Canada</u>	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN CP
11/04/00	0	4,405	0	3,991	9,507	257	5,514	5,205 5,061
This Week Last Year	0	2,784	1,789	2,780	10,682	594	7,135	3,663 4,852
2000 YTD	0	124,428	70,155	131,579	362,780	23,598	318,359	127,114 205,573
1999 YTD	15,522	109,955	76,211	116,667	394,764	29,037	343,012	99,112 176,089
1999 Total	15,522	132,157	88,056	138,379	465,088	33,911	398,262	121,381 206,328
1998 Total	40,192	126,128	77,811	131,158	431,459	34,503	342,609	113,568 215,005

Source: Association of American Railroads

Tariff Rail Rates for Unit Train Shipments

November 2000

Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
11/06/00	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
11/06/00	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
11/06/00	46540	Wheat	Kansas City, MO	Houston, TX	\$1,650	\$18.19	\$0.50
11/06/00	43586	Wheat	Kansas City, MO	Portland, OR	\$4,240	\$46.74	\$1.27
11/06/00	43581	Wheat	Omaha, NE	Portland, OR	\$3,905	\$43.04	\$1.17
11/06/00	31040	Corn	Minneapolis, MN	Portland, OR	\$2,900	\$31.97	\$0.81
11/06/00	31035	Corn	Kansas City, MO	Portland, OR	\$2,700	\$29.76	\$0.76
11/06/00	31040	Corn	Omaha, NE	Portland, OR	\$2,700	\$29.76	\$0.76
11/06/00	61180	Soybean	Minneapolis, MN	Portland, OR	\$2,680	\$29.54	\$0.80
11/06/00	61180	Soybean	Omaha, NE	Portland, OR	\$2,430	\$26.79	\$0.73
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

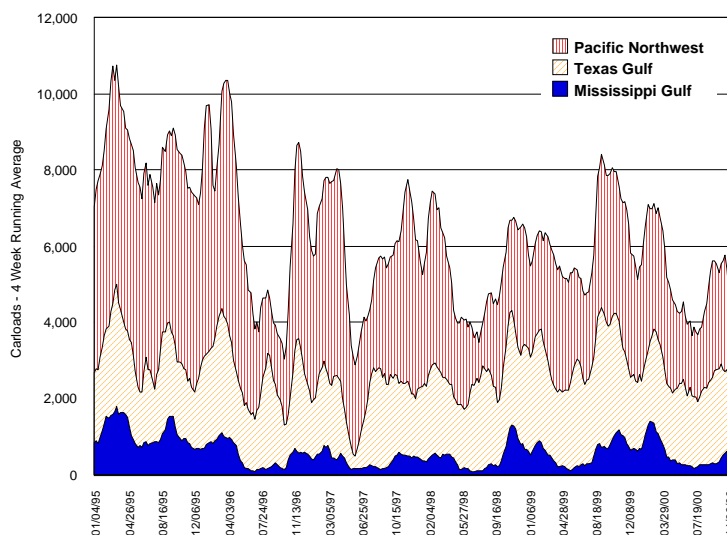
Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

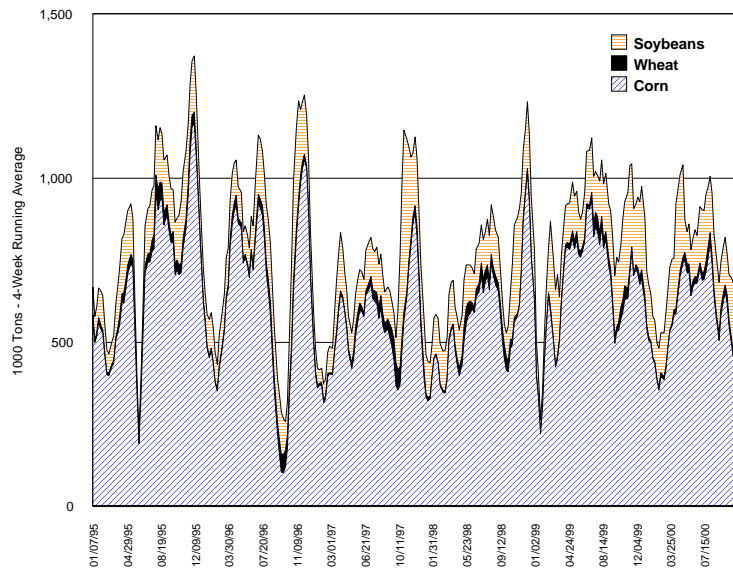
Rail Deliveries to Port**Carloads**

	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
10/04/00	493*	2,172	2,392	367
10/11/00	655*	2,534	3,501	632
10/18/00	600*	1,730	2,964	389
10/25/00	558*	2,114	3,339	633
11/01/00	640*	2,190	830*	826
11/08/00	231*	1,683	1,791*	455
YTD 2000	23,996*	93,861	114,682*	12,766
YTD 1999	25,016	118,318	137,858	13,050
Total 1998	23,844	115,321	138,461	12,505
Total 1997	20,152	93,265	195,953	9,147

Source: Transportation & Marketing/AMS/USDA

Rail Deliveries to Port

(*) Incomplete Data

Barge Movements - Locks 27**Barge Grain Movements**

for week ending 11/04/00

	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	292	17	108	420
Winfield, MO (L25)	513	17	201	736
Alton, IL (L26)	726	19	244	992
Granite City, IL (L27)	738	20	259	1,022
Illinois River (L8)	128	2	32	161
Ohio (L52)	67	6	73	164
Arkansas (L1)	0	18	3	21
2000 YTD	28,260	2,160	8,458	40,348
1999 YTD	31,121	2,567	7,737	43,723
Total 1999	36,711	2,883	9,771	51,887
Total 1998	31,001	2,401	8,674	45,134

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.
Source: U.S. Army Corp of Engineers; n/a=not available

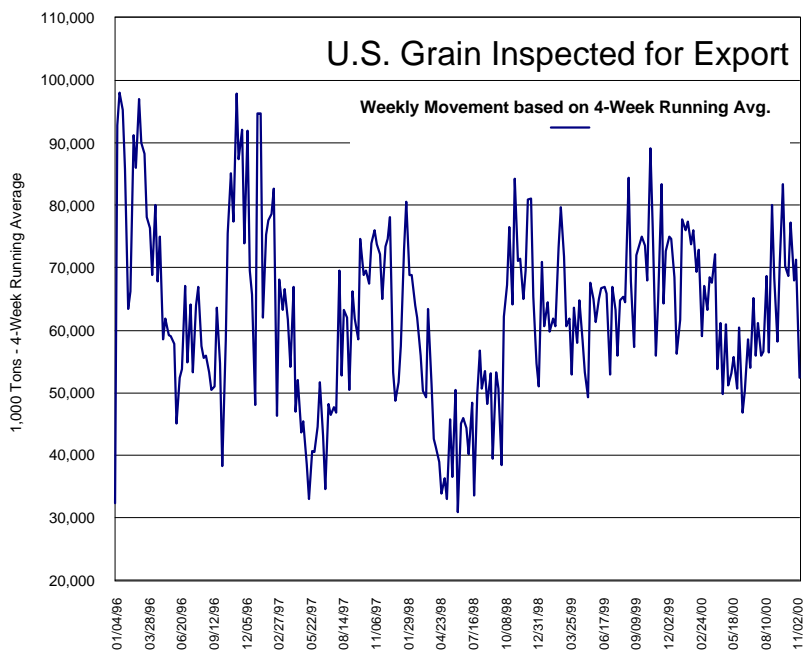
U.S. Export Balances (1,000 Metric Tons)

	<i>HRW</i>	<i>SRW</i>	<i>HRS</i>	<u>Wheat</u> <i>SWW</i>	<i>DUR</i>	<i>All</i>	<u>Corn</u>	<u>Soybean</u>	<u>Total</u>
<u>Unshipped Exports-Crop Year</u>									
11/02/00	1,223	341	921	636	343	3,464	6,671	5,894	16,029
This Week Year Ago	1,255	262	923	483	209	3,131	8,508	5,286	16,925
<u>Cumulative Exports-Crop Year</u>									
99/00 YTD	4,398	2,246	2,363	2,169	505	11,681	9,087	5,489	26,257
98/99 YTD	5,689	1,776	2,334	1,794	410	12,002	9,257	17,713	38,972
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31**Select U.S. Port Regions - Grain Inspections for Export - 1,000 Metric Tons**

	<u>Pacific Region</u>			<u>Mississippi Gulf</u>			<u>Texas Gulf</u>		
	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>	<i>Wheat</i>	<i>Corn</i>	<i>Soybean</i>
11/09/00	131	64	55	107	417	580	41	0	0
2000 YTD	8,368	5,512	1,340	5,896	30,681	14,679	6,187	413	962
1999 YTD *	8,685	7,651	863	6,041	30,670	11,785	7,670	545	1,230
% of Last Year	77%	126%	206%	117%	98%	98%	85%	73%	69%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

Source: Federal Grain Inspection Service * YTD-Year-to-Date (*98 = 53 week period)

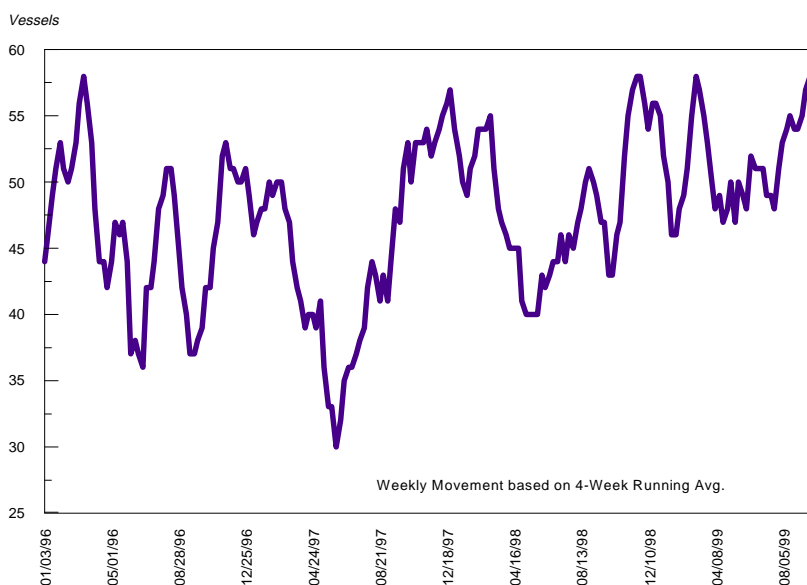
**Select Canadian Ports - Export Inspections**

1,000 Metric Tons, Crop Year

	<u>Wheat</u>	<u>Durum</u>	<u>Barley</u>
Week Ended: 11/16/00			
Vancouver	2,086	122	256
Prince Rupert	28		0
Prairie Direct	302	66	56
Thunder Bay	386	104	3
St. Lawrence	1,072	646	0
2000 YTD Exports	3,874	938	332
1999 YTD Exports	3,174	1,114	275
% of Last Year	122%	84%	121%

Source: Canadian Grains Commission

YTD-Year-to-Date Crop Year 8/1-7/31



**Gulf Region
Vessels Loaded
- Past 7 Days-**

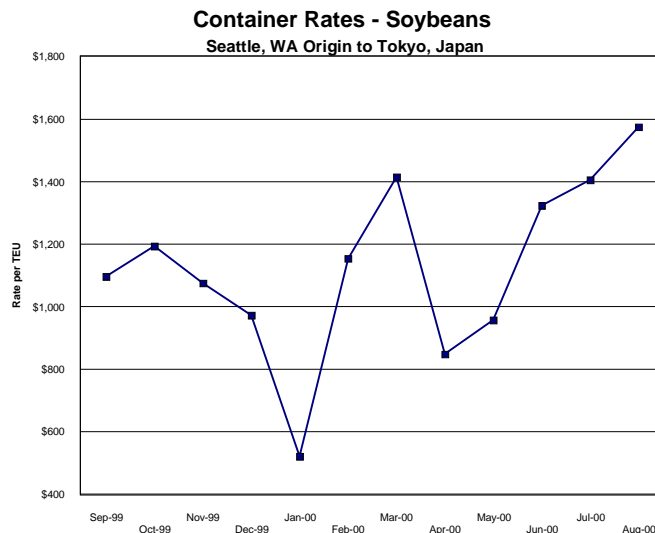
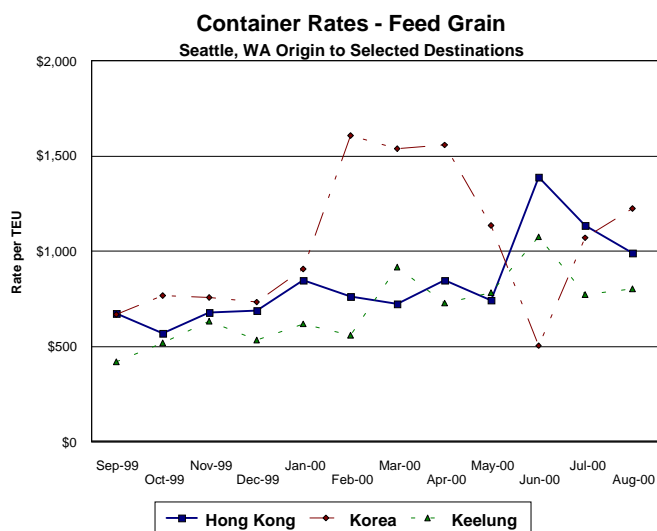
Port Region Ocean Grain Vessels

	Gulf			Pacific Northwest			Vancouver, B.C.		
	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>	<u>In Port</u>	<u>Loaded 7-Days</u>	<u>Due Next 10-Days</u>
11/02/00	26	54	71	10			16	9	3
11/09/00	47	45	64	11			13	9	6
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

Source: Transportation & Marketing /AMS/ USDA

Container Ocean Freight Rates

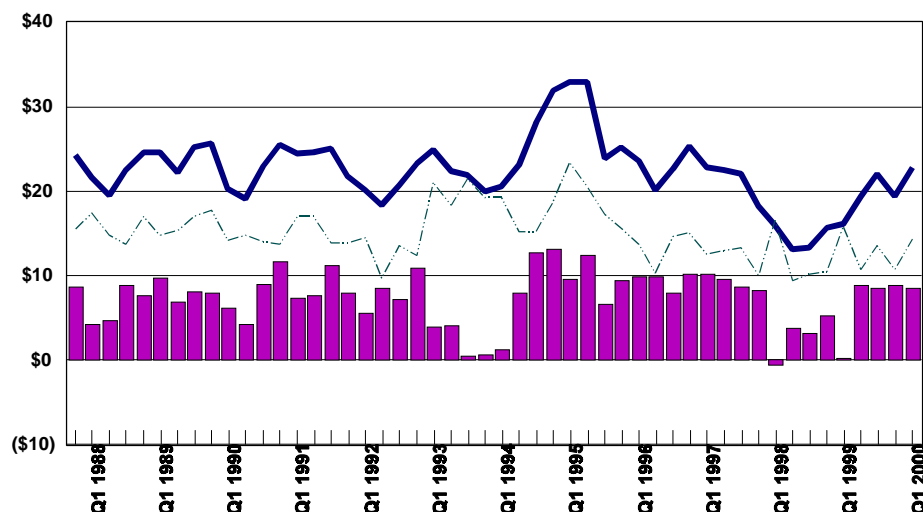
Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share



Source: Transportation & Marketing /AMS/USDA

— Rate - Gulf to Japan
 - - - Rate - PNW to Japan
 ■ Spread - Gulf vs. PNW to Japan

US\$/Metric Ton



Quarterly Ocean
Freight Rates

Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2000 3 rd Qtr	1999 3 rd Qtr	% Change		2000 3 rd Qtr	1999 3 rd Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$24.76	\$19.46	27%	Japan	\$15.43	\$10.71	44%
Mexico	\$16.11	\$14.97	8%	Red Sea/ Arabian Sea	\$29.03		
Venezuela	\$15.13	\$12.64	20%				
N. Europe	\$18.07	\$13.31	36%	Argentina to			
N. Africa	\$34.19	\$18.20	88%	N. Europe	\$18.62	\$13.94	34%
				Japan	\$36.42	\$23.00	58%

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 11/11/00

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Gulf	El Salvador	Wheat/Corn	Nov.15/25	20,000/6,000	\$19.00
Gulf	Chile	Hvy Grain/Wht.	Nov.10/15	33,000	\$17.00
Gulf	Egypt	Corn	Nov.10/20	60,000	\$15.50
Gulf	Japan	Heavy Grain	Nov.20/30	54,000	\$25.00
Brazil	Lisbon/Hamburg	Heavy Grain	Spot	32,000	\$17.00
River Plate	Spain	Grains	Nov.10/17	30,000	\$22.50
United Kingdom	Colombia	Wheat	Nov.10/20	25,000	\$10.90
France	Morocco	Wheat	Nov.15/20	20,000	\$17.00
Rotterdam	Saudi Arabia	Barley	Nov.10/17	55,000	\$14.90
Germany (N. Sea)	Tunisia	Barley	Nov.10/20	28,000	\$16.00

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated; op=option